

STAFF SUMMARY

☐ Secretary Approval

☒ MassDOT Board Approval

Prepared by: Susan Snyder

Department:
OREED

Manager:
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Contract No./Subject:
SPO-2-2026/Service Plaza Operator Transition Agreement and Lease and Concessions Agreement

Date Prepared:
May 29, 2025

Implications

☐ Capital Budget

☐ Operating Budget

☐ Legal

☒ Other

PURPOSE:

The purpose of this Staff Summary is to request that the Board of Directors authorize and approve the Secretary/CEO, or her designee, to execute a Transition Agreement (MassDOT Contract No. SPO-1-2025) and Lease and Concessions Agreement (MassDOT Contract No. SPO-2-2026) for the on-going operations and maintenance and revitalization of MassDOT's 18 Service Plazas, with Applegreen MA Investments LLC, for a total duration, not to exceed, a six-month Transition Period and 35 1/3 years plus a 10-year option to extend from Notice to Proceed (NTP).

TOTAL PROGRAM BUDGET:

The "Service Plaza Operator" program budget is a self-sustaining program with capital and operating funds generated from receipts from sales at the 18 service plazas.

DISCUSSION:

MassDOT owns 18 Service Plazas, for which 14 existing leases expire on December 31, 2025, and the remaining four existing leases expire on June 30, 2027. MassDOT issued a Request for Proposals ("RFP") on September 30, 2024, to procure a new single Operator for all 18 Services Plazas under a Lease and Concessions Agreement with a 35 1/3-year term, plus a 10-year option to renew. Prior to the new Operator beginning operations and maintenance of the existing Service Plazas on January 1, 2026, it will enter into a Transition Agreement for a six-month Transition Period in order to ensure a seamless transition from the existing tenants to the new Operator. Applegreen MA Investment LLC ("Applegreen") has proposed to raze and re-build nine of the Service Plazas with significant renovation of the remaining nine Service Plazas.

PROCUREMENT:

MassDOT publicly noticed an RFP on September 30, 2024, with Initial Proposals (i.e., Statements of Qualifications) due on November 19, 2024. Six Proposers submitted Initial Proposals, and four of the most highly qualified Proposers were shortlisted. Three shortlisted Proposers submitted final Proposals on April 15, 2025. A committee of seven individuals representing relevant departments within the agency deliberated and voted to select the recommended operator.

There is no DBE goal associated with this contract for the following reason(s): there are no federal funds included under the Transition Agreement and Lease and Concessions Agreement.

FINANCIAL IMPACT/BUDGET SOURCE:

This action requires no funding from MassDOT as all program funding (capital and operating) will come from the new Operator's financing and Service Plaza revenue. The new Operator estimates that the program will generate an average of \$28 million per year over the term of the Lease and Concessions Agreement.

FUTURE ANTICIPATED AUTHORIZATIONS:

None.

RECOMMENDATIONS:

It is recommended that the Board of Directors authorize the Secretary, or her designee, to award and execute the Transition Agreement (MassDOT Contract No. SPO-2-2026) and Lease and Concessions Agreement (MassDOT Contract No. SPO-2-2026), with Applegreen MA Investments LLC, in a form approved by the General Counsel, and to execute any necessary or ancillary documents in the name and on behalf of the Massachusetts Department of Transportation to effectuate this Agreement.

COORDINATION WITH:

Office of the Secretary
Office of Diversity and Civil Rights
Office of Highway Administrator
Operations and Maintenance
Environmental
Capital Programs
Traffic and Safety
Program Management
Project Management
Budget and Finance
Legal Department
Office of Transportation Planning
Office of Real Estate and Economic Development

SIGNATURE PAGE:

See Page [final page #]

ATTACHMENTS:

Tab A – Vote [to be completed by Legal]

RESOURCE/REFERENCE DOCUMENTS:

[list here]

STAFF SUMMARY SIGNATURE PAGE

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RECOMMEND APPROVAL:

Scott Bosworth
Chief Development Officer

RECOMMEND APPROVAL:

[name]
[Department Head]

RECOMMEND APPROVAL:

David Pottier
Chief Financial Officer

RECOMMEND APPROVAL:

Carrie Wicker
General Counsel

RECOMMEND APPROVAL:

Monica Tibbits-Nutt
Secretary/CEO